



Federal Communications Commission
Washington, D.C. 20554

SEP 11 1998

ORIGINAL

DIVISION

93-04947

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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The Honorable Robert Graham
United States Senator
P.O. Box 3050
Tallahassee, FL 32315

Dear Senator Graham:

Thank you for your letter on behalf of your constituent, Seymour E. Goldberg, regarding a line item that has been added by AT&T to his telephone bill to recover its contributions to the universal service support mechanisms.

On May 7, 1997, the Commission adopted an Order to implement the Federal-State Joint Board's recommendations on universal service as required by the Telecommunications Act of 1996 (1996 Act). The Commission established universal service support mechanisms that fulfill Congress's goal, as stated in Section 254 of the 1996 Act, of ensuring that affordable, quality telecommunications services are available to all American consumers, including low income consumers and those located in high cost, rural, and insular areas. Universal service support for carriers serving high cost areas and for low income consumers has been provided for decades. In the 1996 Act, Congress expanded universal service goals to ensure the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. These support systems also will link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access, through the telecommunications network, to the same advanced diagnostic and other medical services that are enjoyed in urban communities.

In the 1996 Act, Congress required all telecommunications carriers that provide interstate telecommunications services to contribute on an equitable and nondiscriminatory basis to universal service. The Commission implemented this statutory provision by requiring all such telecommunications carriers to contribute to the universal service support mechanisms. Neither Congress, nor the Commission, requires such carriers to pass this contribution on to their customers. To the contrary, carriers decide how and to what extent they recover their contributions. Carriers, however, may not mislead customers as to how they recover contributions and may only recover an equitable share from any particular customer.

The Commission is monitoring the universal service support mechanisms and their impact on telephone ratepayers. This issue will be carefully reviewed as the support mechanisms are administered.

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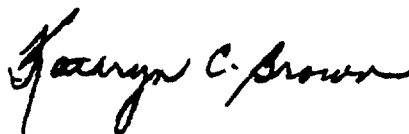
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The Honorable Robert Graham

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Your letter has been placed in the official public record of the universal service proceeding (CC Docket No. 96-45). I appreciate your interest and views on these important issues.

Sincerely,

A handwritten signature in cursive script, reading "Kathryn C. Brown".

Kathryn C. Brown
Chief
Common Carrier Bureau

Bob Graham
Florida



United States Senate

Washington, D.C.

Date 06.17.98

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Ms. Judith Harris, Director
Federal Communications Commission
Office of Legislative Affairs
1919 M Street, Room 808
Washington, DC 20554

Enclosed is a letter from one of my constituents who has concerns which come under the jurisdiction of your agency.

I would appreciate your reviewing the information that has been presented and providing me with a written response. Please send your reply to the attention of:

Ms. Marcia K. Rivenbark
Office of Senator Bob Graham
P.O. Box 3050
Tallahassee, FL 32315

Phone 850-422-6100
Fax 850-422-0359

Your cooperation and assistance are appreciated.

With kind regards,

Sincerely,

A handwritten signature of Bob Graham in cursive script.

United States Senator

Constituent's Name:

Mr. Seymour E Goldberg

Mr. Seymour E. Goldberg
9716 S. Skiffort Cir
Tamarac, FL 33321-1836

June 3, 1998

Senator Graham,

AT&T is going to impose a 5.2 percent charge on residential customers' interstate calls and a 1.8 percent charge on residential customers' in-state calls. AT&T is doing this so it can recoup a new federal universal service fee that the company pays to fund phone service for schools, libraries, low-income subscribers, & rural customers.